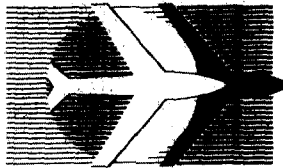


LAS VEGAS



McCARRAN INTERNATIONAL AIRPORT

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July 22, 1994

The Honorable Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street NW, Room 222
Washington, DC 20554

cc
RE: Docket No. 92-77

Dear Mr. Caton:

As the operators of a sizeable public facility with approximately 300 public-use pay telephones, we at McCarran International Airport in Las Vegas have been following with great interest the proceedings of the Federal Communications Commission regarding Billed Party Preference (BPP). I would like to take this opportunity to comment in response to the Further Notice of Proposed Rulemaking (FNPRM) related to the above-referenced Docket.

While our apprehension regarding this issue is multi-faceted, we are very deeply concerned with the threatened loss of commission revenues posed by the BPP proposal. As you probably know, the Inspector General's office of the U.S. Department of Transportation recently performed a number of well-publicized audits of major airports (including McCarran International). These audits focused on the maximization of airport revenues and the retention of those revenues for airport use, in accordance with Federal Grant Assurances. As airport operators, we are obligated to obtain appropriate fees from those profiting from the activity generated at our public facility.

In short, the establishment of rates and charges at airports is based on the capital improvement and operations and maintenance requirements of the facility. The inability to generate revenue from any particular aspect of airport business would necessarily result in an increase in other concession-related fees and/or higher costs to the resident air carriers—all costs which would inevitably be passed on to the passengers. There is simply no free lunch, economically speaking, at least insofar as purported BPP savings to airport pay telephone customers are concerned. In fact, as prudent managers, we would almost certainly have little

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William F. Caton
July 22, 1994
Page Two

choice but to consider alternate forms of concession structure as it relates to pay telephone service in the BPP environment, which could include such things as the rental of space for phone sites, etc.

While I will leave to others the task of an extensive cost-benefit analysis of the BPP program, I am gravely concerned that, as stated in the FNPRM, "...cost estimates for technologies that have not yet been fully developed are inherently inexact..." (Page 20, @ #37) As noted in FCC Commissioner James H. Quello's separate statement, "Conservative financial data estimate that BPP will cost over one billion dollars to implement and millions more annually to maintain." I find it nothing short of shocking that action of this extent, which will likely diminish service quality, is being contemplated absent firm, validated analysis related to the anticipated costs of implementation.

I must finally state my skepticism of the purported benefits related to the BPP environment. As the manager of a facility which will process more than 26 million passengers this calendar year (plus many more "meeters and greeters," etc.), I am unable to locate any complaints related to our pay telephone service. This is not surprising to me; quite the opposite, given our level of attentiveness to this aspect of business. Those using the pay telephones in our facility are able to easily access their chosen interLATA carrier. I am concerned that the additional call set-up time and additional data processing certain to be associated with BPP will significantly derogate service quality, representing little more than a sizeable source of confusion and difficulty to those attempting to utilize the system.

In conclusion, I urge, in the strongest terms possible, that the Commission not attempt a costly fix to a system that does not, on close examination, appear to be broken.

Thank you for your consideration of my comments regarding this matter.

Sincerely,



ROBERT N. BROADBENT
Director of Aviation

RNB/si

cc: FCC Commissioners (9)